

RECIPROCAL TRADE

*Agreement and exchange of letters signed at Geneva October 30, 1947
Entered into force October 30, 1947; operative January 1, 1948
Terminated December 7, 1962*¹

61 Stat. 3721; Treaties and Other
International Acts Series 1705

AGREEMENT BETWEEN THE NETHERLANDS AND THE UNITED STATES OF AMERICA SUPPLEMENTARY TO THE GENERAL AGREEMENT ON TARIFFS AND TRADE

The Governments of the Kingdom of the Netherlands and the United States of America,

Having participated in the framing of a General Agreement on Tariffs and Trade and a Protocol of Provisional Application,² the texts of which have been authenticated by the Final Act adopted at the conclusion of the Second Session of the Preparatory Committee of the United Nations Conference on Trade and Employment, signed this day,

Hereby agree that the Trade Agreement between the Netherlands and the United States of America, signed December 20, 1935,³ with accompanying exchange of notes and protocol, shall be inoperative for such time as the Netherlands and the United States of America are both contracting parties to the General Agreement on Tariffs and Trade as defined in Article XXXII thereof; *Provided*, that in the event that either the Netherlands or the United States of America should withdraw its application of the General Agreement, and the said Trade Agreement should thereupon again become operative, the customs treatment accorded by the Netherlands to products of the United States of America described in Schedule I (Section A), Schedule III, and Schedule IV (Section A) of the said Trade Agreement shall be no less favorable than that provided for such products in the Customs Tariff annexed to the Belgo-Luxemburg-Netherlands Customs Convention concluded September 5, 1944, as amended by the protocol signed March 14, 1947.

¹ Pursuant to notice of termination given by the United States June 7, 1962.

² TIAS 1700, *ante*, vol. 4, p. 639.

³ EAS 100, *ante*, p. 122.

IN WITNESS WHEREOF the representatives of the Governments of the Kingdom of the Netherlands and the United States of America, after having exchanged their full powers, found to be in good and due form, have signed this Supplementary Agreement.

DONE in duplicate, at Geneva, this thirtieth day of October, one thousand nine hundred and forty-seven.

For the Government of the Kingdom of the Netherlands:

A. B. SPEEKENBRINK

For the Government of the United States of America:

WINTHROP G. BROWN

EXCHANGE OF LETTERS

*The Acting Chairman of the United States Delegation to the Acting
Chairman of the Netherlands Delegation*

OCTOBER 30, 1947

DEAR DR. SPEEKENBRINK:

A point of legal detail has been brought to my attention in connection with the Agreement Supplementary to the General Agreement on Tariffs and Trade which we propose to sign on behalf of our two Governments on October 30 making the Reciprocal Trade Agreement of 1935 between the United States and the Netherlands inoperative so long as both the United States and the Netherlands are parties to the General Agreement on Tariffs and Trade.

As you know, Article XVII of the 1935 Agreement provides that it may be terminated by either party after three years on six months' notice. The inclusion of such a provision in all our trade agreements is required by the Trade Agreements Act. Our lawyers have suggested that the very general terms of the proposed Supplementary Agreement might possibly be interpreted as making it impossible for either party to the 1935 Agreement to exercise this right of termination.

It is, of course, improbable that either of our Governments would wish to exercise this right of termination, but under our law we must, nevertheless, retain it in force. To suggest a formal amendment to the proposed Supplementary Agreement expressly excepting Article XVII of the 1935 Agreement at this late date would cause considerable inconvenience and would give greater emphasis to this point than it deserves. I am therefore writing to make it clear that we would be signing the Supplementary Agreement with the understanding that its general language would not prevent notice of termination of the 1935 Agreement given by either party while we were

both parties to the General Agreement on Tariffs and Trade from effecting termination of the 1935 Agreement in six months.

I would appreciate it if you could give me the assurance that your Government has the same understanding.

Sincerely yours,

WINTHROP G. BROWN
Acting Chairman

Dr. A. B. SPEEKENBRINK,
*Netherlands Delegation,
Palais des Nations.*

*The Acting Chairman of the Netherlands Delegation to the Acting
Chairman of the United States Delegation*

NETHERLANDS DELEGATION

GENEVA, *October 30th, 1947*

DEAR MR. BROWN,

Referring to your letter of October 30, 1947, I have the honour to affirm that the contents thereof are agreeable to the Netherlands Government. On behalf of my Government I can therefore assure you that they are in perfect accord with the understanding, that the general language of the Supplementary Agreement, which we sign today, would not prevent notice of termination of the 1935 Agreement given by either party, while both parties were parties to the General Agreement on Tariffs and Trade, from effecting termination of the 1935 Agreement in six months.

Yours sincerely,

A. B. SPEEKENBRINK
Acting Chairman, Netherlands Delegation

Mr. WINTHROP G. BROWN
*Acting Chairman, United States Delegation
Palais des Nations
Geneva.*